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A PROFESSIONAL LIMITED LIABILITY COMPANY

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April 30, 2004

VIA HAND DELIVERY

Deborah Tate, Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37219

Re: In the Matter of the Application of Southern Digital Network, Inc. d/b/a FDN Communications for a Certificate of Convenience and Necessity to Provide Competing Local Telecommunications Services and to Provide Facilities-Based and Resold Interexchange Telecommunications Services in Tennessee Docket Number 04-00095

Dear Chairman Tate:

Enclosed you will find the original and thirteen (13) copies of the Responses to the data requests to the TRA staff, dated April 15, 2004. Southern Digital Network, Inc. d/b/a FDN Communications respectfully requests an extension until May 5, 2004 to respond to data requests numbers, 1 and 2.

Sincerely,

D. Billye Sanders

D. Breeze Sanders

DBS/hmd Enclosures

cc: Michael. C. Sloan, Esq. Brett P. Ferenchak, Esq. Matthew J. Feil, Esq.

Response of Southern Digital Network, Inc. d/b/a FDN Communications to Staff Information Requests

Southern Digital Network, Inc. d/b/a FDN Communications ("FDN") hereby provides the following responses to Staff's Information Requests Dated April 15, 2004.

1. Please provide financial statements including a balance sheet, an income statement and a statement of cash flows for the Applicant, Southern Digital Network, Inc. d/b/a FDN Communications.

As stated in its Application, separate financial statements are not kept for Applicant. Applicant must have separate financial statements prepared. FDN, therefore, respectfully requests an extension until May 5, 2004 to provide a response to this data request

2. Please provide projected financials for the Applicant, Southern Digital Network, Inc. d/b/a FDN Communications for three years ending 2004, 2005, 2006.

FDN respectfully requests an extension until May 5, 2004 to provide a response to this data request.

3. Has Southern Digital Network, Inc.'s Certificate ever been revoked in the State of Tennessee? If so, please explain.

No, the Tennessee Regulatory Authority has never issued Applicant a Certificate of Convenience and Necessity. Applicant's Certificate of Authority to Transact Business in Tennessee was revoked by the Tennessee Secretary of State for failure to file reports/fees. At the time, FDN simply permitted the business authority to expire because its business plans would not permit it to expand operations into the state. Applicant filed its Application for Reinstatement, which was granted by the Secretary of State on January 9, 2004.

4. FDN's Certificate from the State of Tennessee, included with the Application as Exhibit D, states that it is an Application for Registration of Assumed Corporate Name; however, it does not state what the corporate name is. Please provide the Certificate from the State of Tennessee that indicates that FDN Communications is the assumed name of Southern Digital Network, Inc.

The first pages of Exhibits C and D (receipts from the Secretary of State) indicate that the corporate name is Southern Digital Network, Inc. and that the assumed name is FDN Communications, respectively. Please note that the Control Number on both documents is 0385999, which indicates that they are for the same company. These documents together indicate that FDN Communications is the assumed name of Southern Digital Network, Inc.

Response of Southern Digital Network, Inc. d/b/a FDN Communications to Staff Information Requests

5. Does Florida Digital Network, Inc. only have one subsidiary, Southern Digital Network, Inc. d/b/a FDN Communications as shown if Exhibit A of the Application? If Florida Digital Network, Inc. has more than one subsidiary, please provide a complete corporate organizational chart.

Florida Digital Network, Inc. ("Florida Digital Network") currently has two subsidiaries, Southern Digital Network, Inc. and Broadline Communications, Inc. ("Broadline"). Broadline is a start-up company formed in October 2003 as a subsidiary of Florida Digital Network, Inc. Please note that following the *pro forma* intra-corporate reorganization described in Paragraph 2 of the Application, Applicant and Broadline will no longer be subsidiaries of Florida Digital Network, but instead will be sister companies of Florida Digital Network, with both Applicant, Broadline and Florida Digital Network being wholly owned subsidiaries of FDN Communications Holdings Co. Complete preand post-reorganization corporate organizational charts are attached as Attachments A and B, respectively.

6. Please provide names of all subsidiaries included in Florida Digital Network, Inc.'s d/b/a FDN Communications (the parent company) financials that were provided with the Application.

Applicant is the only subsidiary of consequence included in the financial statements provided with the Application, although Broadline is also included. Applicant and Broadline were the only subsidiaries of Florida Digital Network, Inc. Since Broadline was formed and became operational late in 2003, its impact on the financials is *de minimus*.

7. FDN states in its Application that it utilizes appropriate billing software and call related databases to ensure it complies with the countywide calling requirements contained in Tenn. Code Ann. § 65-21-114. Some Tennessee counties are split by LATA boundaries. Please explain technically, and in detail, how FDN's existing rating and billing systems will rate and bill an FDN customer initiated interLATA intracounty call and ensure the customer will not be billed a toll charge. Many counties in Tennessee have multiple CLECs providing service to customers residing in those counties. Please explain technically, and in detail, how FDN's existing rating and billing systems will rate and bill an FDN customer initiated call terminated to the customer of another carrier within the same county, and ensure the FDN customer will not be billed a toll charge, when the FDN local calling area and the local calling are of the terminating carrier do not overlap. Please explain in detail the manner in which FDN identifies its customers by county and how it passes the customer county specific information to other carriers of the customer of other carriers will not be billed a toll charge for calls terminated to the customers of FDN when both reside in the same county.

FDN Communications (FDN) will utilize BellSouth's Taxing Area Rate (TAR) Code Masterfile to determine if a particular call is intra-county and should not be rated as a toll

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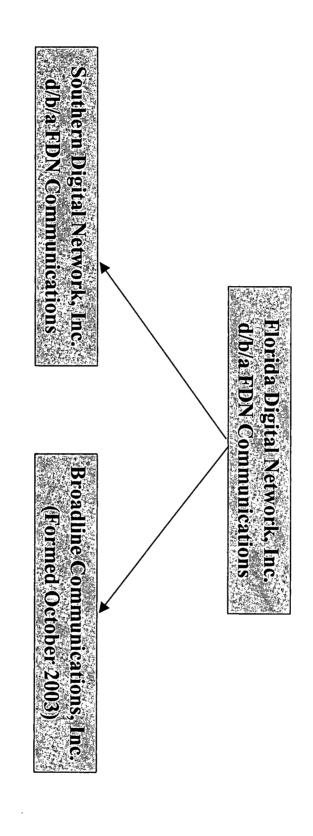
charge. Due to the manner in which NPA/NXXs are assigned, the end users can be in multiple counties with the same NPA/NXX. BellSouth's County Wide Calling Database assigns a county TAR code to each county by the LEC. By implementing a TAR Code identifier to every 10-digit telephone number, FDN can then determine if the call is toll-free by whether the TAR codes match on the originating and terminating telephone numbers. FDN will submit electronically all end users 10-digit telephone numbers and TAR Code on a bi-monthly basis to be included in BellSouth's database. Also, FDN will pull the current TAR Master files from BellSouth for processing intra-county calls twice a month. The updated TAR Master file will be uploaded via a load program into APTIS so that any matching TAR codes are rated as toll-free. This will ensure that the customer is not billed a toll charge for interLATA intra-county calls, whether it is an FDN customer calling another carrier's customer or another carrier's customer calling an FDN customer. In summary, BellSouth's TAR Code database will be used to rate the call and the information will be uploaded into APTIS, which is the software used for FDN's billing system.

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ATTACHMENT A

Pre-Reorganization Corporate Organization

Current FDN Communications Corporate Structure Year-End 2003



Response of Southern Digital Network, Inc. d/b/a FDN Communications to Staff Information Requests

ATTACHMENT B

Post-Reorganization Corporate Organization

FDN Communications Corporate Structure After 2004 Reorganization

